THE HON'BLE SRI JUSTICE V.V.S.RAO

WRIT PETITION No.12267 of 2005

18.8.2005

Between:

Parry Monsanto Seeds Pvt. Ltd. having its Registered office at 44/2A, Bellary Road, Mr. Vinay Kumar Myskar S/o. Sri Gajaram Myskar,

aged 44 yrs, R/o. 301, Sriranga Apts. Opp: Keys High School, St. Johns Road, Secunderabad.

..... PETITIONER

AND

1 Government of Andhra Pradesh, Department of Agriculture, Commissioner & Director of Agriculture, Hyderabad and others.

.....RESPONDENTS

ORDER:

The petitioner company is engaged in the production and manufacturing of hybrid seeds. It has its unit at Bangalore. The petitioner obtained a license under Seeds (Control) Order, 1983 (Control Order). At the relevant time, the license was renewed and valid upto 25.6.2007. It appears that the petitioner entered into Memorandum of Undertaking (MoU) with the Government for supply of seeds. The second respondent, who is the licensing authority under the Control Order, cancelled the license of the petitioner, *inter alia*, on allegations that the petitioner violated the terms of MoU. Aggrieved by the same, in the first instance, the petitioner filed an appeal before the third respondent, who by an order dated 14.2.2005, confirmed the order of the original authority. Aggrieved by the same, the petitioner preferred a writ petition being W.P.No.4187 of 2005 seeking a writ in the nature of Certiorari to quash the orders of the appellate authority as well as the original authority. In that writ petition, it was *inter alia* urged that the order of the appellate authority is bad for non-disclosure of reasons. This Court set aside the order of the third respondent observing as under:

> There is a basic difference between disposal of a revision and an appeal. The established principles of law are that, while rejecting a revision, reasons need not necessarily be given whereas while disposing of an appeal, it is imperative to assign cogent reasons.
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> A bare perusal of the impugned order passed by the third respondent would only reveal that the contentions of both sides have been simply recorded number-wise, and eventually conclusion had been recorded in a laconic manner. This type of disposal of an appeal is something unknown and unheard of.

> The third respondent, who is the appellate authority, should bear in mind these basic principles of law, particularly as to the manner in which appellate orders should be passed. This shows the perceptive capability of the third respondent while acting as an appellate authority.
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> For the aforementioned reasons, the impugned order dated 14.2.2005, passed by the third respondent is liable to be set aside and, accordingly, set aside.

After remand, the third respondent again took up the matter. Before the third respondent, the learned Counsel for the petitioner raised as many as eleven grounds in support of the appeal. However, the appeal was rejected without considering these grounds by passing following order:

> The appellants written statement and the defense counsel argument in the appellate authority meeting is carefully examined and it is found that the stand of appellant is unconvincing and also noticed that the appellant has knowingly violated the term No(9) of MoU which attracts the action of cancellation of licence, thereby the decision of Licencing authority to cancel the licence on the ground of obtaining licence by misrepresentation of varietal characters of Maize DK-984 variety while obtaining centralized seed licence is considered violation of the provision of sub-clause (a) of Clause (15) of Seeds (Control) Order, 1983.
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> Hence, the decision of Licencing Authority to cancel the Centralized Seed Licence is upheld.

The learned Counsel for the petitioner while inviting the attention of this Court to the earlier order passed by the third respondent as well as the order of this Court would urge that even after remand, the third respondent passed orders without giving any reason and therefore, it is *ex facie* illegal. In Indian Administrative Law, no order passed by a quasi-judicial appellate authority can be sustained if such order does not disclose reasons. Further, the order challenged must itself disclose the reasons to know the mind of the appellate authority as to whether relevant considerations have gone into the order and whether irrelevant considerations are eschewed. Unless an appellate authority discloses these reasons, it would not be possible for this Court sitting in a judicial review to effectively review any administrative or quasi-judicial order. As observed by this Court in the earlier order in W.P.No.4187 of 2005 dated 22.3.2005, the third respondent failed to bear in mind the basic principles of law. For this reason alone, the writ petition is allowed.

The matter is remitted to the third respondent directing to discuss briefly facts of the case, the grounds urged, formulate points for consideration and then take up each point for the purpose of discussion before recording the findings. This shall be done after issuing notice to the petitioner. If any case law is brought to the notice of the third respondent, the same shall also be adverted to while passing the orders. Such consideration by appellate authority might escape the criticism that the order is vitiated by non-disclosure of reasons. This exercise may be completed by the third respondent within a period of four weeks from today.

The writ petition is, accordingly, allowed. There shall be no order as to costs.

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(**V.V.S.RAO,J**)

August 18, 2005.

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